FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 157 *14 August 1981*

ARGENTINA

Envoy to Washington on Relations With U.S. B 1
Attack Against Chilean Diplomat in Buenos Aires B 1
Interior Ministry on Government Political Plan B 1
Lambruschini Claims No Political Ambitions B 2
Foreign Ministry Regrets Saudi Minister's Comment B 2
Government Signs Fishing Protocol With USSR [HERALD 13 Aug] B 3
Trade With East European Countries Increasing B 3
Official PRC Grain Purchase Mission Arrives B 4
Briefs: Cost of Living B 4

BRAZIL

Reportage on Venezuelan President Herrera's Visit D 1
Arrives in Brasilia D 1
Visits Supreme Court D 1
Figueiredo Speaks at Banquet D 2
Herrera's Dinner Speech D 2
Joint Communique Signed [O ESTADO DE SAO PAULO 11 Au] D 3
Press Conference [JORNAL DO BRASIL 12 Aug] D 7
Visits Recife D 7
NUCON Cancels Nuclear Contract on Angra III D 7
[FOLHA DE SAO PAULO 1 Aug]
Government Delegation To Visit Soviet Union D 8
[O ESTADO DE SAO PAULO 11 Aug]
PAULIPETRO Contracts Five Soviet Technicians D 8
[O GLOBO 13 Aug]

CHILE

Foreign Minister on Envoy Kirkpatrick's Visit E 1
Diplomat Warns Against USSR in Central America E 1
Briefs: ALADI Secretary's Visit E 1

PERU

Minister Manuel Ulloa Gives Senate Briefing J 1

CENTRAL AMERICA

EL SALVADOR

Army Denies FMLN Report on Perquin's Occupation P 1
Police Headquarters Explosions Said To Be Accident P 1
Castro Miscalulated Guerrillas' Preparedness P 2
FMLN Commander Analyzes 10 January Actions [Radio Venceremos] P 2
FMLN Central Front Commander Douglas Interview P 4
[EL NUEVO DIARIO 20 Jul]
FMLN Commanders Chano, Carlos View War Effort P 6
[Radio Venceremos]

GUATEMALA

Confrontation Between Army, Guerrilla Forces P 8
U.S. Industrialist Killed P 8
5 Soldiers Die in Quiche Clash P 8
Rebel Redoubt Found, 2 Killed P 8
Briefs: Sugar Export Revenues P 9

HONDURAS

Guatemalan President Visits Briefly 12 August P 9
President Meets With Salvadoran Counterpart P 9

NICARAGUA

Ministry Issues Communique on Enders Visit P 10
Tinoco Makes Statement P 10
'In Depth' Program Discussion on Forum Progress P 11

ENVOY TO WASHINGTON ON RELATIONS WITH U.S.

PY130043 Buenos Aires Domestic Service in Spanish 12 Aug 81

[Text] Estaban Takaks, the new Argentine ambassador to the United States, has left for Canada. Before leaving, he said that relations with the United States are in harmony in several aspects, and he stated that the new demonstration [as heard] has highlighted the relationship with Argentina. For this reason--he added--we can be optimistic regarding the future. Finally, Takaks said that this subject had been discussed at the last meeting held by the commanders and the president.

ATTACK AGAINST CHILEAN DIPLOMAT IN BUENOS AIRES

PY131558 Buenos Aires TELAM in Spanish 1430 GMT 13 Aug 81

[Text] Buenos Aires, 13 Aug (TELAM)--An attack which only caused material damage occurred early this morning in front of the house of the Chilean Embassy's council minister in our country, in the Olivos neighborhood in Buenos Aires, where incendiary devices were hurled at the Chilean diplomat's car, which was parked at the site.

Spokesmen of the Chilean Embassy, who did not grant much importance to the incident, stated that the attack against the car of Council Minister Raul Schmidt took place around 0300.

As a result the outside of the roof and hood of the Volvo were damaged.

Members of the police force and firemen of the area went to the neighborhood where the incident took place as soon as they learned about it.

INTERIOR MINISTRY ON GOVERNMENT POLITICAL PLAN

PY131949 Buenos Aires TELAM in Spanish 1200 GMT 13 Aug 81

[Text] Buenos Aires, 13 Aug (TELAM)--Last night Interior Minister Div Gen Horacio Tomas Liendo disclosed that the second phase of the political dialogue will start in a few days with the talks he will hold with authorities of national political organizations.

The minister outlined the political action program to be carried out during the current month of August in a meeting attended by the president of the nation, Lt Gen Roberto Eduardo Viola; ministers; secretaries of the Presidency of the nation; undersecretaries; and the president of the Central Bank.

During his talk, Minister Liendo pointed out that no expectations should arise for an immediate and hasty political opening with the political action to be carried out and that a greater political participation of the citizenry should be achieved.

According to an official communique issued at the end of the meeting, General Liendo pointed out the goals which the government intends to achieve in the political field in the short term, the methods to be used and the task to be carried out by each area of level of government in this action.

He pointed out that the government's action will be based on pragmatic solutions to the national problems, on solutions which will adjust the current reality and the final objective sought. By no means will the action involve partisan or sectorial interests.

He stated that it is the government's objective to submit to the military junta a draft law on the organization of political parties with the intention of implementing it during the first 6 months of next year.

Drafting the law will be the subject of discussions during the meetings to start in the near future with authorities of political parties and the most important organizations representing various sectors of the country.

He disclosed that these talks will be carried out by the interior minister and by governors and mayors in some cases. He also stated that he will give talks similar to the one last night, to the governors with whom he will meet tomorrow, to the Supreme Court of Justice, the Legislative Advisory Commission (CAL), the Catholic Church and other groups of government employees.

He announced that this political action to be carried out should start in the next few days with the authorities of a national political party--he did not reveal which political party--stating that the subjects to be discussed at first will be the need to establish communication channels with the parties and the situation which the country has experienced during this past decade.

He stated that these subjects are aimed at learning the points of view regarding the country's future, taking its domestic situation and its position within the international sphere into account.

He pointed out that during these interviews he hopes to learn the political party authorities' point of view on the mentioned subjects as well as on the political party statutes to be approved opportunely.

Liendo disclosed his intention of traveling to the interior of the country in order to meet with the authorities of the provincial political organizations.

After pointing out the importance which the task to be carried out by the various government areas during the action will have, he stated that no expectations should arise for an immediate and hasty political opening and that greatest possible political participation of the citizenry should be achieved.

Liendo said he believes that the political action to be carried out should offer a country which politically speaking is worn out, a new alternative which will protect its future and, in the last case, the future of the Argentine citizen; who should in fact be our objective so that he will not captivated by strange ideologies.

Liendo ended by stating that we must return to that citizen faith, credibility and confidence in his country and in the seriousness and good faith of the people who temporarily govern, who have to find, through the most natural paths, the possibility to live in democracy and assert his rights accordingly.

LAMBRUSCHINI CLAIMS NO POLITICAL AMBITIONS

PY122030 Buenos Aires Domestic Service in Spanish 2000 GMT 12 Aug 81

[Text] Upon his arrival in Posadas, the navy commander in chief said that he has no political ambitions. The high navy officer, who started his tour to say goodbye to all navy units, visited the Adm Storni School.

He confirmed that the Multiparty Group is one of the prior stages leading to the country's institutional normalization.

FOREIGN MINISTRY REGRETS SAUDI MINISTER'S COMMENT

PY131320 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2210 GMT 12 Aug 81

[Text] Buenos Aires, 12 Aug (NA)--The Argentine Foreign Ministry described today as "unfortunate" and "inappropriate" the comparison made today by the Saudi Arabian foreign minister, Sa'ud al-Faysal, between the Palestine Liberation Organization (PLO) and the war for independence waged by Gen Jose de San Martin.

This statement was made this afternoon by the Foreign Ministry spokesman, Federico Erhart del Campo.

Erhart told journalists this afternoon that "the Foreign Ministry believes the comparison made by the Saudi foreign minister between the Palestinian process and the independence process of Latin American countries--including that of Argentina--and the personal allusion made to Gen Jose de San Martin was an unfortunate statement."

He added that "although it is understood that there was no ill-intention meant, it is believed that this unfortunate and inappropriate statement may cause misunderstandings or give rise to ill-intentioned opinions that have nothing to do with reality."

GOVERNMENT SIGNS FISHING PROTOCOL WITH USSR

PY140214 Buenos Aires HERALD in English 13 Aug 81 p 11

[Text] (AN)--President Roberto Viola yesterday signed a law approving a "protocol of understanding" signed earlier by Argentina and the Soviet Union for the joint research and development of the domestic fishing industry. Law 22,481 foresees the creation of bi-national concerns for the joint exploitation of seafood resources in Argentine waters.

Exploitation will be carried out strictly on a scientific basis, the law says, and taking into account the need to preserve seafood resources. "There will be campaigns for fishing research, with the participation of scientists and technicians from both countries," the law reads, "and all results and findings will be equally shared by the two nations." The Soviet Fisheries Ministry "thereby pledges (to the agreement) one or more research ships, and the lodging on board of six Argentine scientists or technicians, with whom they will have to share their work and its results." Under joint research will be the Argentine sea waters lying south of the 46° parallel.

TRADE WITH EAST EUROPEAN COUNTRIES INCREASING

PY130403 Buenos Aires TELAM in Spanish 1030 GMT 29 Jul 81

[Excerpts] Buenos Aires, 29 Jul (TELAM)--For the first time, Argentine trade with the heart of East Europe might exceed $350 million, considering the global exchange in the past 3 years.

An analysis of the imports and exports with Czechoslovakia, Hungary and Romania show that the trade balance between Argentina and those three countries--situated right in the center of Europe, among the socialist countries--continues to show positive signs except for oscillations caused by the market opening by the Argentine economic authorities.

In the past year the total trade volume with the CSSR reached $60.3 million: $47.9 million in exports and $12.4 million in imports, a trade balance in favor of Argentina by $35.5 million.

Among the principal products sold by Argentina to the CSSR are fodder, skins, oils, vegetables, wool, frozen fish, citrus fruits and oleaginous seeds.

Argentine purchases from Czechoslovakia were metal-shaping machinery, textile industry machinery, chemical products, turbines, components and spare parts. One can say that Czechoslovakia is the second biggest buyer of Argentine fresh citrus fruits, behind the Netherlands, accounting for 22 percent of total sales.

The overall trade with Hungary has increased 8.9 percent when one compares the figures of 1980 and 1978. Last year the trade reached $17 million, composed of $6.1 million in exports and $10.9 million in imports, with payments favoring Hungary by $4.8 million.

The principal products bought by Argentina from Hungary are port cranes, automobile lights, textile articles, railway spare parts and pharmaceutical products. Argentine sales to Hungary were fish, $1 million; skins, $3 million; and textile articles, $1 million; citing only the most important items.

Lastly, in the trade with Romania it is fitting to grant due weight to the Argentine purchase of petroleum equipment for use by the state enterprise Argentine Oil Deposits.

As a result of the variation in these equipments, the overall trade with Romania changed by 73 percent, though at the moment only provisional statistics for 1980 are available.

As was pointed out, the 1980 trade volume was in the $30 million range, compared to $56 million in 1978. Sales to Romania are principally made up of sorghum and soybeans and purchases of petroleum derivatives, petroleum pumping apparatuses and carbonate of soda.

OFFICIAL PRC GRAIN PURCHASE MISSION ARRIVES

PY132131 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1921 GMT 13 Aug 81

[Text] Buenos Aires, 13 Aug (NA)--An official PRC mission arrived today in Argentina to purchase 1 million tons of grain. The agreements for this purchase were signed 2 years ago in Beijing.

The 3-man delegation is headed by Zhang Jian-hua, who is the chairman of Ceroil Food, the PRC state enterprise charged with the purchase of grains abroad.

The Chinese mission was met at Ezeiza Airport by the former chairman of the National Grain Board (JNG), David Lacroze, who did not make any statements, indicating that he was "only an adviser" of that organization.

Zhang Jian-hua, through an interpreter, explained to the press that the mission he is heading has the purpose of "implementing the agreement" through which the PRC will purchase 1 million tons of Argentine grain.

The Chinese official, who was very brief in his statements, explained that though the agreement that was signed in 1979 in Beijing between Argentine and Chinese authorities, the purchase can amount to 1.5 million tons.

The agreement regarding the purchase of Argentine grain was signed in 1979 and approved by former President Jorge Rafael Videla during a visit he made to the PRC in June 1980.

BRIEFS

COST OF LIVING--(NA)--The cost of living soared 10.2 percent in July, the Economy Ministry announced yesterday, an increase equal to a projected annual increase of 250 percent. Last year, inflation was 87.6 percent the first double-digit inflation rate in 5 years of triple-digit inflation, but the cost of living increase in the last 12 months, since July 1980, was 104.9 percent. Wholesale prices rose 12.7 percent last month, and 111.8 percent in the last 12 months. The cost of living has soared 62 percent so far this year, and wholesale prices have risen 83.4 percent. [Text] [Buenos Aires HERALD in English 11 Jul 81 p 1 PY]

REPORTAGE ON VENEZUELAN PRESIDENT HERRERA'S VISIT

Arrives in Brasilia

PY101907 Paris AFP in Spanish 1746 GMT 10 Aug 81

[Text] Brasilia, 10 Aug (AFP)--Venezuelan President Luis Herrera Campins today arrived in Brasilia in the first stage of his 4-day official visit to Brazil.

The Venezuelan chief of state, who was received by his Brazilian counterpart Joao Figueiredo at the Brasilia military air base, will leave for Rio de Janeiro on Wednesday and for Recife on Thursday, from where he will return to Caracas on the same day.

Visits Supreme Court

PY111459 Paris AFP in Spanish 2240 GMT 10 Aug 81

[Text] Brasilia, 10 Aug (AFP)--Venezuelan President Luis Herrera Campins asserted here today that the developing countries have the duty of reaching beyond the materialist prospects of capitalism and communism in order to achieve a new social order in which justice, freedom and security will be compatible.

The Venezuelan chief of state made this statement in a speech he made at a solemn session of the Supreme Court of Justice within the framework of his activities during the first day of his 4-day official visit to Brazil.

Herrera Campins also stated that the entire world, people and governments are faced with the great challenge of overcoming poverty and marginal livelihoods which are the result of productive systems which have neglected to emphasize the basic human needs.

In referring to international economic relations, Herrera Campins stated that there are no types of moral values for these relations to continue developing on the bases of dependency and dominion, strengthening some peoples at the expense of other peoples' weakening.

Before visiting the Supreme Court of Justice the Venezuelan president held his first work meeting with Brazilian President Gen Joao Figueiredo at Planalto Palace.

On this occasion the two chiefs of state exchanged opinions on various issues related to bilateral relations and discussed the current international policy, especially that of Latin America.

International economic relations and the summit conference to be held in Mexico in October to try to solve the stagnant North-South dialogue situation were other important issues discussed during the first work meeting held by the Venezuelan and Brazilian presidents.

The presidents or chiefs of state of Brazil, Guyana, Mexico, Venezuela and 10 other African and Asian countries of the Third World, as well as 8 industrialized countries, among them France and the United States, will attend the meeting in Mexico.

President Luis Herrera Campins' program for the first day of his visit to Brazil ended today at Itamaraty Palace where Gen Joao Figueiredo tonight held a reception in his honor which was attended by the members of the Venezuelan retinue and numerous Brazilian authorities.

Tomorrow, Tuesday, the Venezuelan president will meet with the members of the diplomatic corps, visit the National Congress, hold his second and last work meeting with his Brazilian counterpart, hold a press conference and will have dinner with Gen Joao Figueiredo at the Venezuelan Embassy.

Figueiredo Speaks at Banquet

PY111453 Paris AFP in Spanish 2352 GMT 10 Aug 81

[Text] Brasilia, 10 Aug (AFP)--Brazilian President Gen Joao Figueiredo here tonight made an appeal to the Latin American countries to maintain peace in the region and to seek peaceful solutions to eventual disagreements between states.

In a speech made during a banquet he held in honor of Venezuelan President Luis Herrera Campins, who today started a 4-day visit to Brazil, General Figueiredo pointed out that the Latin American countries have the duty of making an effort to overcome the problems which still keep us divided.

After asserting that the Latin American nations contributed to establish the basic principles which regulate international relations, among them the equal sovereignty of the states, the peoples' self-determination and nonintervention in domestic affairs of other states, Figueiredo stated that the time has come to make the desire for continental unity come true.

He also stated that through direct economic relations between developing countries we seek to definitely do away wiht the remainings of the colonial economic system of dependency and the inequality among the nations.

Figueiredo voiced his satisfaction over the increase of Brazilian economic relations with the remaining Third World countries and pointed out the importance of trade exchange between his country and Venezuela which, he stated, has already surpassed $1 billion.

The Brazilian chief of state ended by stating that Brazil and Venezuela, two brothers inspired by the ideal of democracy, can and must increase even more their cooperation in all the fields of their relations.

Herrera's Dinner Speech

PY111637 Paris AFP in Spanish 0000 GMT 11 Aug 81

[Text] Brasilia, 10 Aug (AFP)--Venezuelan President Luis Herrera Campins asserted here tonight that Latin America cannot be excluded in the making of decisions, nor can it be satisfied with playing a secondary role or being a subordinate in the world.

This statement was made in a speech during a banquet in his honor by Brazilian President Gen Joao Figueiredo at Itamaraty Palace which was attended by the Venezuelan retinue, numerous Brazilian authorities and members of the foreign diplomatic corps.

The Venezuelan president added that we have the right of playing a role which is in keeping with our resources and in accordance with the international need for cooperation and peace.

He pointed out that Latin America should harmoniously state its own position within the current historical moment, through the legitimate reaffirmation of the Latin American identity, in order to counteract hegemonic capriciousness and avoid getting trapped within the dangerous game of East-West tensions.

He also stated that democracy is freedom's choice to achieve social justice and pointed out that Brazil has been moving toward democracy through the adoption of hold and necessary measures such as doing away with institutional acts and censorship.

After stating that President Figueiredo had the courage to approve a political amnesty which benefited thousands of persons, Herrera Campins added that we will not be able to solve the economic, social and cultural problems in Latin America if we do not face the political problem which is greatly influenced by the aforementioned problems.

He ended by stating that the Latin American regional organizations constitute and ample institutional base for reconciliation, cooperation and regional integration and pointed out that Brazil and Venezuela have identical purposes which help us act without delay in order to turn the possibilities into mutually advantageous realities.

Joint Communique Signed

PY130303 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Aug 81 p 5

[Excerpts of Brazilian-Venezuelan joint communique signed in Brasilia by Brazilian President Joao Figueiredo and Venezuelan President Luis Herrera Campins on 11 August on results of Herrera Campins' official visit to Brazil]

[Text] The two presidents reaffirmed Brazil's and Venezuela's firm intention of conducting their international relations within a climate of peace and harmony, which has been their characteristics. They also reaffirmed the right of each state to its fulfillment within the international community, in compliance with the fundamental principles of international law and of peaceful and harmonious coexistence among nations.

They reiterated their conviction that the faithful fulfillment of the goals and principles of the UN Charter is the indispensable basis to achieve a respectful coexistence among all states. They also reaffirmed their confidence in the world organization as an adequate mechanism to promote the strengthening of international peace and security, as well as the economic and social development of all peoples.

On making a thorough assessment of the world situation, the two presidents expressed their concern over the aggravation of international tensions and of violence in several parts of the world, which prevent the consolidation of peace and security.

They also stressed the need to overcome through dialogue and negotiations the tensions and confrontations which hinder the path to a horizon of better prospects for mankind. They also stressed the importance they attribute to the broad and representative participation of all states in the process of making decisions which affect the international community.

They stated that conflicts and rivalries from other regions by no means should be transferred to areas of the Third World, and that respect for the self-determination of peoples, for sovereignty and equality of all states is essential to achieve this objective.

They expressed their concern over the interminable arms race among world powers, which is one of the most alarming aspects of the current world situation. They stressed, therefore, the urgent need to promote complete and general disarmanent, especially nuclear disarmament, under effective international control, as an indispensable factor to achieve everlasting peace among nations.

The two presidents agreed on intensifying their efforts at the third UN conference on the Law of the Sea so that it may arrive at a good conclusion by reaching an agreement which may fully satisfy the just and legitimate aspirations of developing nations. They reaffirmed that it is indispensable to maintain an equilibrium within the future international authority to administer the maritime and ocean depths beyond the limits of national jurisdiction, a common heritage of mankind, so as to consider both the duties of developed world powers as well as the interests and special needs of developing countries.

They once again condemned all kinds of colonialism and racial discrimination, especially apartheid; and insisted on the need to intensify, especially within the United Nations, international efforts to weed them out. They stated that apartheid, in addition to being reprehensible in all aspects, is also a factor of growing threat to peace in the Southern Africa region.

They also referred to the urgent need to achieve a just solution to the Namibian issue, in accordance with the UN plans for Namibia.

The two presidents expressed their concern over the world economic situation and over the growing imbalance between developed and developing countries. They pointed out the importance given to the fact that developed countries must adopt policies to help solve the current structural problems in international economic relations. In this regard, they especially mentioned the international financial problems and the measures adopted to eliminate protectionist measures which are harmful to the interests of developing countries.

They stressed the need to develop the negotiation processes to obtain concrete results from the North-South dialogue, and in this regard they stressed the constructive attitude of the Group of 77.

They also expressed hope that the summit conference to take place in Cancun, Mexico in October 1981 will represent an important political thrust for the North-South dialogue, and consequently, a favorable influence in the process of overall negotiations.

The two presidents reaffirmed the fact that the international community must pay special attention to urgent problems of developing countries and of their relations with industrialized countries so that international tensions may not reduce or delay the appropriate consideration of issues related to the North-South dialogue.

They reiterated that South-South cooperation complements the North-South dialogue, without replacing it; and opens new and broad prospects to promote economic and political interests of developing countries. They stated that this cooperation, being egalitarian, has an exemplary role in establishing a more just international order; and that, under these circumstances, this cooperation deserves the firm and urgent support of the international community, even through the UN system.

They also noted with special satisfaction the success or the recent high-level conference on economic cooperation among developing countries which took place in Caraballeda, Venezuela from 13 to 19 May 1981. They confirmed their joint decision to actively contribute to the instrumentation of the Caracas program of action.

The two presidents expressed the opinion that full democratic fulfillment is one of the fundamental objectives of Latin America and stressed the importance of efforts which are being made to institutionalize democracy and freedom and to promote social justice.

They also stressed the importance and significance they attribute to respect for human rights. They pointed out that the fundamental rights of the human being, in addition to his political expression, is related to alimentation, work, education and health; and that the appropriate guarantees of these rights in developing countries are tied to the possibilities of achieving trustworthy developments in international negotiations, seeking to establish a new economic order of justice and equity.

The two presidents also studied, with special interest, the various aspects related to the situation in Latin America and reaffirmed their determination to contribute to the efforts seeking to achieve the common aspirations of the region.

They agreed on the importance of developing the flexible and effective means of consultation and coordination among Latin American countries to contribute, within a framework of equality, to stable relations among all states, based on justice and equity.

On repudiating all forms of hegemony, all forms of bloc and confrontation policies which are incompatible with Latin American tradition, they stressed the efforts which are being made at this moment in Latin America to promote cooperation and integration, and to intensify political dialogue in the region.

On assessing the situation in Central America, the two presidents agreed on the fact that the scope and complexity of the political, economic and social crisis in Central America demands profound solutions which may be able to create appropriate conditions for more stable, prosperous and just societies. They agreed on making maximum efforts, within the spirit of Latin American solidarity, to contribute to reaching just solutions in the area, and on the need to prevent Central American problems from becoming the means for confrontations which are foreign to the region.

On referring to the difficult economic situation in Central America and the Caribbean, they reaffirmed their solidarity with countries in the area; and stated that just and profitable prices for the export products of the region are desirable for their economic stability.

Regarding El Salvador, the two presidents expressed hope that the Salvadorans themselves will find a political and democratic solution to the crisis the country is facing, without any direct or indirect foreign intervention which may lead to an undesirable internationalization and aggravation of the conflict.

The two presidents reaffirmed the decisive support of their governments to the Organization of American States (OAS) and agreed on the need to strengthen it as a suitable instrument to promote and dialogue and cooperation among countries of the continent.

The two presidents stressed the importance they attribute to the Latin American Energy Organization (OLADE) as a Latin American organization of consultation and cooperation in energy sector.

They expressed support for the objectives of the Latin American Economic System (LAES) and stressed the potentials of the system as a permanent means for consultation to strengthen the coordination of positions in the region, seeking to increase regional cooperation efforts. They verified, therefore, their will to stimulate the participation of both countries in operation mechanisms of the system and expressed the desire to contribute with the Latin American Technological Information Network (RITLA) to fulfill, as soon as possible, the objectives established in its constitutive agreement.

They expressed confidence in the Latin American Integration Association (LAIA). On labeling it a pragmatic and flexible instrument for the gradual and progressive establishment of a Latin American common market, they reaffirmed their total support to the new plans established by the 1980 Montevideo treaty.

On stressing the developments achieved by the Andean subregional group, the two presidents expressed their satisfaction at the progress in developing cooperation between Brazil and the members of the Cartegena Agreement, according to the terms of the Brasilia agreement signed on 16 October 1979, and stressed the importance of the agreements between Brazil and the Andean Group in sectors of common interest which contribute with promoting the objectives of Latin American integration and with a more active Latin American presence in the international arena. They also expressed their disposition to work jointly in seeking a closer relationship between Brazil and the Andean Group.

They expressed satisfaction at the recent developments achieved in the cooperation process among countries of the Amazon region, especially during the first conference of foreign ministers of the Amazon cooperation treaty, held in Belem, Para State, on 23 and 24 October 1980.

On studying the state of bilateral relations, the presidents verified with satisfaction that prospects for tightening cooperation and friendship ties are quite broad and promising.

They verified with pleasure the progressive and sustained growth in economic relations and bilateral trade. Encouraged by this tendency, they reiterated their disposition to participate in priority development plans between Brazil and Venezuela.

The two presidents verified that talks regarding air, maritime and land transportation between Brazil and Venezuela continue, seeking its regulation and improvement.

They again referred to the advantageousness in improving the existing highway connection between the two countries through paving, among other measures, the highway between Brazil and Venezuela which passes through the BV-8 region and connects the federal territory of Roraima with Bolivar State.

The two presidents agreed on studying the necessary dispositions at government level which may allow joint cooperation and development programs between Brazilian and Venezuelan fishing companies.

They reaffirmed their instructions to competent national organizations to continue with the appropriate works to firm up the preparation of a technical cooperation agreement on the peaceful use of nuclear energy as provided for in the memorandum of understanding signed on 27 July 1979.

The two presidents expressed satisfaction with the significant increase in supply of Venezuelan petroleum to Brazil, which is a clear demonstration of dynamic current bilateral relations.

They also expressed satisfaction with development of bilateral relations in this sector. This development makes evident the high degree of reliability which characterizes relations between Brazil and Venezuela.

They stressed with pleasure the importance they attribute to the implementation, today, of the agreement to avoid double taxation in air transportation matters, an instrument of special significance for the development of air transportation between the two countries.

They also expressed satisfaction with the implementation on 23 July 1981 of the cultural agreement between Brazil and Venezuela. The agreement revises that one of 1942, and will contribute to promoting initiatives designed to reach a better mutual knowledge of cultural values. It will also increase exchange trends in the cultural and university fields.

President Figueiredo and President Herrera Campins expressed their special satisfaction with the development of political dialogue and with the intensification of several forms of cooperation between Brazil and Venezuela, of which the current visit is an eloquent testimony. They also expressed their conviction that the constant strengthening of bilateral ties will benefit both the Brazilian and Venezuelan peoples.

President Herrera Campins thanked President Figueiredo for the kind invitation and the cordial attention he received during his pleasant stay in Brazil and expressed, on behalf of his wife, his family and the official retinue accompanying him, his gratitude for the warm treatment granted to them. President Herrera Campins extended an invitation to President Figueiredo to make an official visit to Venezuela at an opportune time. President Figueiredo accepted with special satisfaction, and thanked him cheerfully for the invitation.

Press Conference

PY131717 Rio de Janeiro JORNAL DO BRASIL in Portuguese 12 Aug 81 p 4

[Press conference granted by Venezuelan President Luis Herrera Campins at Itamaraty Palace auditorium on 11 Aug]

[Excerpt] With the assurance of someone who knows what he is talking about, Venezuelan President Luis Herrera Campins advocated yesterday the need for Latin American countries not to play into the hands of the Reagan government's tactic of trying to deal with them separately. To prevent that he said these countries should seek a multilateral formula to assert their weight and influence vis-a-vis the United States.

Visit Recife

PY131737 Paris AFP in Spanish 1610 GMT 13 Aug 81

[Text] Recife, Brazil, 13 Aug (AFP)--Venezuelan President Luis Herrera Campins arrived at 1110 (1410 GMT) today in Recife, capital of Pernambuco in northern Brazil, to complete the last phase of his 4-day visit to Brazil.

The Venezuelan chief of state was met by Marcos Maciel, governor of the Pernambuco state; and Gen Florismar Campelo, commander of the IV Army Corps. After his arrival, Herrera Campins went to the British cemetery where he paid homage to Brazilian General Jose Ignacio de Abreu Lima, a hero of Brazilian independence.

Governor Marcos Maciel will hold a banquet in President Herrera Campins' honor at the Palacio de las Princesas (provincial government house). The Venezuelan president will also visit the Superintendency for Development of the Northeast (SUDENE), an organization charged with the development of this region.

He will also meet with Venezuelan students studying at the schools in Pernambuco State.

President Herrera Campins and his retinue will return to Caracas at 1700 (2000 GMT) today.

NUCON CANCELS NUCLEAR CONTRACT ON ANGRA III

PY132338 Sao Paulo FOLHA DE SAO PAULO in Portuguese 1 Aug 81 p 14

[Excerpts] Rio de Janeiro--NUCON [Nuclebras Nuclear Plants Building Company] has canceled the contract with the Norberto Odebrecht Construction Company for the construction of the Angra III nuclear plant and decided to call for new bids, and to renegotiate the terms of the contract for Angra II, so as to force the company to maintain the timetable and the established prices.

One of the measures adopted by NUCON to maintain the timetable and prices was changing the contracts with the Norberto Odebrecht Construction Company, which had been granted the construction of Angra II and Angra III, to those of the contract for the construction of Angra I, by decision of the then-Mines and Energy Minister Shigeaki Ueki.

Thus, the revision of the terms of the contract with Norberto Odebrecht for Angra II seeks to concentrate the responsibilities of constructing companies exclusively on the civil construction of Angra II, adapting the terms of the contract to the obligations of respecting the timetable and prices agreed upon with NUCON.

GOVERNMENT DELEGATION TO VISIT SOVIET UNION

PY140204 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Aug 81 p 37

[Text] Brasilia--Less than a month after the return of Planning Minister Delfim Neto from his official visit to Moscow, a new Brazilian Government delegation is preparing to visit the Soviet Union. This delegation will be headed by Planning Ministry Secretary General Jose Flavio Pecora, who will arrive in the Soviet capital on 7 September and will remain there until 9 September to follow up on the trade negotiations which had not been consolidated by Neto's delegation, especially on the Soviet commitment to purchase Brazilian manufactured goods equivalent to the value of Soviet exports of heavy equipment.

According to official sources, the decision to expand to Moscow the Planning Ministry secretary general's trip which will begin on 31 August in Tokyo, is due to the need for accelerating the decision on Soviet purchases of Brazilian manufactured goods which is tied to the sale by the Soviets of 5 of the 20 turbines for the future hydroelectric dam of Ilha Grande, in Parana State.

The businessmen who were in Moscow with the planning minister have already prepared a list of manufactured products which could be exported to the Soviet Union. This list will be taken by Pecora--who in Moscow will be advised by Botafogo Goncalves, head of the Planning Ministry International Advisery Department and who was in Neto's delegation--and will be discussed with Soviet state companies in charge of international purchases. Following that discussion, it will be possible to establish the products which will interest the Soviets; to evaluate the amount of purchase; and according to their value, to establish the imports of equipment of Brazil.

Last week, Soviet international trade experts held a meeting in Brasilia with Planning Ministry technicians, when the Brazilians reaffirmed their intention to relate the purchase of Soviet equipment with the sales of Brazilian manufactured goods. In the specific case of the operation involving the purchase of five turbines at a cost of $120 million, the Soviets will have to import Brazilian manufactured products of the same value, especially shoes and other leather products, and textiles.

During his 3-day visit to Moscow, Pecora will have to meet with Foreign Trade Minister Nikolay Patolichev, leaders of the State International Economic Cooperation Committee, and probably First Deputy Chairman of the USSR Council of Ministers Ivan Arkhipov.

PAULIPETRO CONTRACTS FIVE SOVIET TECHNICIANS

PY140209 Rio de Janeiro O GLOBO in Portuguese 13 Aug 81 p 23

[Exceprt] Brasilia (O GLOBO)--PAULIPETRO [Sao Paulo State Petroleum Company] has contracted five Soviet technicians for a period of 2 years for $3 million, to provide technical assistance in the search for petroleum which this company has been carrying out on the Parana basin, as reported by Oswaldo Palma, Sao Paulo State industry and commerce secretary. He also stated that the Soviet technicians will arrive in Brazil in October.

The Soviet technicians will provide technical assistance in the seismic, geophysical, geochemical, drilling and stratigraphic sectors. From the $3 million, 50 percent will be paid with national currency and 50 percent in dollars.

FOREIGN MINISTER ON ENVOY KIRKPATRICK'S VISIT

PY131324 Santiago Chile Domestic Service in Spanish 0000 GMT 13 Aug 81

[Relay from Government House by (Graciela Contreras)]

[Excerpt] His excellency the president of the republic presided over a meeting of the Council of Ministers this morning which was attended by the members of the honorable government junta.

The ministers of foreign relations, interior and health spoke during the meeting.

The Government Social Communications Agency (DINACOS) issued a communique in this regard which points out that during the session the minister of foreign relations reviewed the Chilean position abroad and especially referred to the recent visit to Chile by Jeane Kirkpatrick, U.S. ambassador to the United Nations. The minister pointed out the importance of this visit to Chile because it contributes to strengthen the Chilean-U.S. mutual links of friendship and cooperation.

DIPLOMAT WARNS AGAINST USSR IN CENTRAL AMERICA

PY130120 Paris AFP in Spanish 2331 GMT 10 Aug 81

[Text] Santiago, 10 Aug (AFP)--Chilean Deputy Foreign Minister Col Ernesto Videla stated here today that the grave Central American crisis is a very serious problem because of the tremendously strong Soviet offensive that has been implemented through its Cuban Army.

Videla, who is substituting for Vice Foreign Minister Col Fernando Arancibia--who is presently visiting that region--said that the USSR has conquered a land, and by using an island as a stepping stone, it has reached the continent.

According to Colonel Videla, the system seeks to expand, to open up, and it is already located in certain areas; it has taken up fundamental strategic positions aimed at the north, at the United States, and at the south. The high official reported that the USSR is using a pincer movement, basically aimed at energy targets.

Right now--he added--one pincer is very close to the Panama Canal, which is a highly critical and fundamental area for the continent's defense. He said that "what is actually serious is that the USSR has been able to penetrate into the American Continent."

When asked whether Chile and the United States are supporting a clearly anti-Soviet policy, he answered that Chile has kept an anticommunist position since 11 September 1973.

BRIEFS

ALADI SECRETARY'S VISIT--The Executive Secretary of the Latin American Integration Association (ALADI) Julio Cesar Schupp, said after an interview with President Pinochet at the end of his visit to Chile that the trip had been very fruitful. He feels that the diversity of economic systems in Latin America is not an obstacle for the progress of ALADI. [Santiago Chile Diplomatic Information Service 2310 GMT 24 Jul 81 PY]

MINISTER MANUEL ULLOA GIVES SENATE BRIEFING

PY122151 Tacna Radio Tacna in Spanish 1200 GMT 12 Aug 81

[Excerpts] Economy and Finance Minister Manuel Ulloa Elias yesterday gave a briefing which lasted 1 hour and 26 minutes at a Senate hearing.

In the first part of his exposition, Ulloa tried to justify the actions carried out by the government during its first year, especially Law No (?23230) which empowers the executive branch to issue decree-laws. He contended that this law was necessary because it was the only way to conduct a transition stage from dictatorship to democracy.

Ulloa defended his economic policy emphasizing that agribusiness must be promoted in order to take advantage of the country's large resources. He denied charges of having given away Peruvian natural resources and criticized opposition parties which maintain dogmatic positions.

He said: [Begin recording] In this brief we do not intend to analyze the contents of the decree-laws because there is no time for that. We believe we only need to refute the widespread idea that, due to the executive branch's power to issue decree-laws, the chairman of the Council of Ministers has gained excessive powers which would virtually make him the head of the government. This is a biased idea which must be strongly rejected. The president of the republic is both the chief of state and head of the government.

Even after taking our purposed corrective measures to reduce the scope of government's activities, after cutting subsidies and imposing real austerity in public administration, we believe it will not be possible to reduce the overall deficit in the public sector to less than 400 billion or 450 billion soles in 1981 without causing irreversible damage to the country or without endangering the program for socioeconomic recovery.

I admit that it is difficult and painful to make cuts in public expenditures amid labor unrest due to the lack of elbow room. Regarding the public enterprises I mentioned earlier, we already have the necessary elements to decide their future, whether to eliminate them or to make them more effective and independent from the public sector.

I will not tire of repeating, as many times as it may be necessary, a fact which cannot be overlooked: We have no resources to meet all of the national and regional aspirations.

Before closing, I will make a brief outline of the main measures which have been taken and which must be taken to achieve financial stability within the framework established above:

First: A periodic adjustment of the prices of goods and services provided by public enterprises but demanding efficiency and quality which can only be fulfilled with skilled, well-paid managers. This can be achieved through the measures adopted under the powers bestowed upon us by Law No (?23290).

Second: Compliance with [words indistinct] and of our own government plan for the gradual elimination of unrestricted subsidies to food products and fuels. These subsidies will be replaced by specific subsidies designed to benefit the most needy sectors, for instance by reducing the price of kerosene, by using food bonuses, through job promotion funds, school lunch programs, and public dining places with subsidized prices.

Third: A gradual reduction of the deficit in the public sector through the tax reform implemented by decree-laws and through a remarkable improvement of tax administration techniques stemming from mechanisms enforced by the above decree-laws.

We are not dismissing the possibility of taking special measures to increase revenues or savings which might contribute to solving our budget crisis. We also intend to submit to Congress a bill [words indistinct] and increasing them if they are in keeping with the best national interests.

Fourth: A strict control of public expenditures although we admit that large expenditures are necessary in areas of social interest, especially concerning education, labor, housing, certain economic activities related to agricultural development and to maintenance and expansion of the road system.

Fifth: We will continue to follow the same guideline we have been following since January in making adjustments in the public sector in order to preserve the worker's purchasing power in an inflationary process.

Sixth: A gradual reduction and reorganization of personnel in the public sector, strictly adhering to current legal provisions.

Seventh: A strict control by the Central Bank over the financial needs of the public and private sectors, making efforts to increasingly direct those needs toward the financial system which would in turn result in an effective utilization of internal savings.

Eighth: A periodical revision of both passive and active interest rates in order to promote savings and to direct them toward productive activities [words indistinct] with advantages in accordance with the status of the inflationary process.

Ninth: To continue with an aggressive policy designed to improve agricultural prices in order to foster production by establishing basic prices whenever necessary, and always attempting to liberate domestic transactions on agricultural products to reduce costs, to eliminate costly government intervention and speculation stemming from the chronic shortage of certain products due to ineffective transportation and storage facilities.

Tenth: Maintenance of the current tariff policy which will be modified only to alleviate extremely serious situations in the industrial sector or to protect new industrial activities which may yield relative advantages and which may have to undergo a process of stabilization before becoming competitive both at the national and international level. [end recording]

EL SALVADOR

ARMY DENIES FMLN REPORT ON PERQUIN'S OCCUPATION

PA131418 Paris AFP in Spanish 0128 GMT 13 Aug 81

[Excerpt] San Salvador, 13 Aug (AFP)--A Salvadoran Army spokesman insisted today that the situation in Perquin, Morazan Department, in northeastern El Salvador, is "under the complete control of the armed forces."

However, the Farabundo Marti National Liberation Front [FMLN], the armed rebel organization, said in its latest broadcasts on Radio Venceremos that the town of Perquin is still occupied by the guerrillas "following intense fighting." This was emphatically denied by the military source.

The spokesman said that all this is part of the "leftist propaganda to confuse world public opinion." However, he conceded that "approximately 4 days ago there was intense shooting when the subversives attacked military positions in that sector and were repelled by the army soldiers."

The source said that the soldiers were supported by the civil defense committees which have been formed in several cities and towns in the country.

"It is not true that Perquin is a liberated zone," emphasized the spokesman, who added that "on the contrary, the dismantling in the last few months of several guerrilla camps in different parts of the country is proof of the losses which the leftists have sustained."

POLICE HEADQUARTERS EXPLOSIONS SAID TO BE ACCIDENT

PA131248 Paris AFP in Spanish 0424 GMT 13 Aug 81

[Text] San Salvador, 13 Aug (AFP)—At least eight security agents were apparently hurt in the explosion of two dynamite bombs which went off tonight in the south wing of the National Police headquarters building. There are several contradictory reports concerning this incident.

Official sources have not said anything on the incident, but sources close to the military said that the explosion of the bombs was not the result of a guerrilla attack, but of an accident.

Persons who were passing by at the time of the incident, 2015, said they saw two vehicles catch fire. The fire department told AFP that "the fire had been brought under control." However, the firemen say that the fire started in two armored vehicles, where the two explosions reportedly occurred, although this report has not been confirmed because it is impossible to get near the area of the fire, which has been cordoned off at least five blocks away.

This sector of police headquarters is always heavily guarded, and the streets are blocked off at night. Therefore, it seems almost impossible that a vehicle could have entered the area to carry out the attack, which supports the story of the accidental explosion.

Another report given by an official, who did not wish to be identified, said that two vehicles with timed explosives inside had been parked during the day next to the police building, but this report has not yet been confirmed.

CASTRO MISCALCULATED GUERRILLAS' PREPAREDNESS

PA131429 San Salvador Domestic Service in Spanish 1746 GMT 12 Aug 81

[Commentary: "Fidel Castro Tricked the Salvadoran Guerrillas"]

[Text] We know for a fact that the famous final offensive of the Salvadoran subversion in January 1981 has failed. It failed for two main reasons. The first is that they were up against a professional army with a high fighting morale and, in spite of not having foreign support at the time, every Salvadoran soldier demonstrated his technical capacity and patriotism.

The second is that all the people were deaf to the appeals for insurrection and instead of supporting the leftist extremist gangs, they dedicated themselves to their work, thereby expressing their rejection of the subversive slogans.

Nevertheless, it is important to consider a few facts to again confirm Russian intervention through Cuba in the Salvadoran problem. A recent interview with Jose Blandon, close adviser of Gen Omar Torrijos, who died tragically a few days ago, published by the Madrid newspaper EL PAIS, revealed very important Central American policy facts. Blandon said in referring to those events in January 1981 that Fidel Castro worried about the isolation he was going to have to endure from the Reagan administration and preferred to push the Salvadoran guerrillas into the final offensive.

In the same interview, Torrijos' adviser made a few comments on the Central American crisis and affirmed that with regard to the frequently mentioned final offensive, Torrijos always believed that Fidel Castro had miscalculated the military power of the guerrillas. This means that the puppet of the Caribbean thought that just the arming of the Salvadoran subversives was sufficient to achieve a military victory. He underestimated the moral strength and professional training of the Salvadoran Armed Forces and this, as we said before, significantly contributed to the defeat of the people's enemies.

This confirms what has often been said: El Salvador never wanted war but had to respond to the aggression by the groups which were trained, encouraged and sponsored by Russia and Fidel Castro, by carrying out legitimate defensive actions in which the people and army joined wills and efforts to defend our sovereignty and the deep desire to always live in freedom.

This makes it clear that Fidel Castro, in his paranoid expansionist excesses, tricked the Salvadoran guerrillas.

FMLN COMMANDER ANALYZES 10 JANUARY ACTIONS

PA131522 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 12 Aug 81

["Excerpt" of a document on the military situation in El Salvador written by Commander Joaquin Villalobos, member of the General Command of the Farabundo Marti National Liberation Front--read by announcer]

[Text] Much has been said about the meaning that the 10 January actions had for the development of the struggle of the Salvadoran people. However, most of the analyses do not begin with the objective result of the offensive which was to achieve a military balance, but rather view it politically, operating under the premise that the offensive was launched to achieve an immediate solution to the conflict. The actions that the revolutionary forces carried out on 10 January and subsequent days represented a substantial change in the balance of military forces. This change would soon become apparent to the whole world.

The fact that most analyses took a political approach to the 10 January action led the people to believe that the action was part of a decisive struggle to seize power; therefore, it could be seen as a failure. This situation did not permit this a[illegible]rity to be seen as an important change in the course of the war. Neither was i[illegible]at a change was beginning to appear in the balance of military forces.

In effect, 10 January proved that the revolutionary forces had accumulated a force and military capacity that, although inadequate to achieve victory, represented a great qualitative and quantitative advance. The forces of the army and the junta had been involved in constant military offensives against the areas controlled by the revolutionary forces, but the 10 January actions cut this plan short and put the army on the defensive in its most strategic points: the cities. The army was not able to recover from this situation until 2 months later when U.S. military aid helped the army overcome the loss it suffered from the revolutionary action.

In an initial stage, the junta's army focused its efforts in getting reorganized, replenishing its supplies, drafting a new counterinsurgency plan and controlling vital points where conditions were more favorable to it. Therefore, the army achieved the military control of the cities and the most important towns. It was able to recover weapons and exercise military control over the situation taking advantage of the immediate views of the 10 January actions at that time. Most of the blows that the army dealt to the revolutionary forces took place in the cities with the murder of cadres of the mass organizations. Most of the weapons that the army recovered from the revolutionary forces were not fully operational. Most of them were stored in warehouses, thus representing a very low percentage of the weapons that the revolutionary forces have in the rural sector.

Much was also said about the reasons for not carrying out a general insurrection and a nationwide strike. To better focus on this point we must analyze two basic points:

1. In the Salvadoran case, the insurrectional activity of the masses was taking place when the balance of military forces was not favorable. This, naturally, resulted in some attrition since the struggle is linked to the heroic activity of the masses. The activity of the masses in the rural and urban sectors was the center of the international attention and provided the only way for the Salvadoran people to get enough time and space to develop their military force. This means that in order to reach the insurrectional phase we had to achieve significant changes in the military balance, and 10 January was the [word indistinct] outcome of these changes.

2. Another element that comes into the picture is that, given the characteristics of El Salvador; that is, the density of population, the nature of urban and suburban areas, the high concentration of the forces of the army in the small area of the country and so forth, we needed a qualitative and quantitative military advance of the revolutionary forces, significant enough to overcome these factors in order to go on to the phase of insurrection and general counteroffensive actions.

By taking these two points into account, we see that the 10 January actions are, in the political and military sense, an advance for the revolutionary forces and a loss of the military control of the country for the army of the junta.

In addition to stopping the enemy offensive, the revolutionary forces were able to move on from the political to the military control of certain areas after 10 January. This movement, which was vital for the development of the war, is what the revolutionary forces see as their main military victory. It guaranteed an effective rearguard within our territory. This step implied that we had overcome the difficulty that prevented the qualitative and quantitative accumulation of our revolutionary forces' military capability. Guaranteeing a rearguard meant that we were able to remain permanently armed and to force the enemy to fight for every move he made.

In view of these conditions, the revolutionary forces could then use and regroup their forces, develop their cadres, reorganize their regular tactical units, move from the defensive to the offensive and start a war of attrition twice as strong against the enemy.

This also meant that we were getting more supplies because we were recovering more weapons and ammunition from the enemy, something that was more difficult in the past. We were also able to analyze the most complex conditions in which the revolutionaries had developed.

The step of having a guaranteed rearguard is an irreversible advance because it allows us to adapt to and to get ready for any military situation that may come up. Without this military success, it would have been very difficult to have reached any decisive phase in the armed struggle.

FMLN CENTRAL FRONT COMMANDER DOUGLAS INTERVIEW

PA071720 Managua EL NUEVO DIARIO in Spanish 20 Jul 81 p 4

[Special for EL NUEVO DIARIO by SALPRESS correspondent Miguel Angel Guardado]

[Excerpts] Commander Douglas, member of the staff of the Modesto Ramirez Central Front of the Farabundo Marti National Liberation Front, FMLN, has indicated that prisoners of war are treated in accordance with the revolutionary principles and the Geneva agreements.

The conversation with this exceptional guerrilla, one of the founders of the "Farabundo Marti" Popular Liberation Forces, FPL, was held somewhere in northern Chalatenango with the musical background of the chirping of crickets, the noises of the countryside and the lively voices of the combatants in the camp.

Commander Douglas joined the FPL 10 years ago when he was 20 years old. He lived for a long time in the underground, carrying out legal and illegal, open and clandestine military and political tasks to increase the power of his organization. Obtaining experience from the hardest and most difficult tests that urban armed struggle imposes, the guerrilla chief now confronts with great ease any invasion by the government army and particpates in attacks on military installations.

As a member of the front's staff, Douglas is chief of Chalatenango's "subzone 1." He is a strategist and theoretician of the war of movements and operational guerrilla warfare. Perhaps his two greatest qualities as a guerrilla commander are his great humility and his great humanism. These attributes, plus his courage in battle, have won him the recognition, affection and respect of all his comrades.

We Have Political and Military Control Over a Large Area

[Question] Commander Douglas, what places does the government army control in this zone?

[Answer] It generally maintains political control over those areas where the most important towns are located.

[Question] What towns?

[Answer] Cancasque, Nueva Trinidad, Arcatao, San Miguel Mercedes, San Jose las Flores, San Antonio de la Cruz, Azacualpa, San Francisco Lempa, San Luis del Carmen and the city of Chalatenango.

[Question] How do you see the advance of the war in this zone?

[Answer] The outlook is very good. We have gained experience and this gives us great possibilities since we have political and military control over a vast territory.

[Question] During our stay on this front we have covered many kilometers without finding soldiers of the military-Christian Democratic regime. To what do you attribute this?

[Answer] First, it is due to the fact that the enemy cannot have military control over all the region. Second, its control is limited to the areas it occupies. The low fighting morale of its troops prevent them from going out to patrol the streets and roads of these places.

"They Have Dropped White Phosphorous in the Invasions"

[Question] Has the government army launched invasions in this zone?

[Answer] The last invasion that the enemy launched included the towns of Los Ranchos, Potonico and San Isidro and our nearby bases and camps. It was an annihilation offensive which tried to surround us by using a large number of forces and special troops.

They had previously been softening up our position by daily firing for a period of 1 week some 200 rounds of 81 mm mortars and 120 mm cannons and harassing our positions with the air force. It is interesting to note that the planes that were used were Israeli-made Fouga Magisters. They also dropped white phosphorous and 200-pound bombs. They tried to annihilate our forces for 4 days but they discovered the strong resistance, fighting capacity and very high morale of our fighters.

It is important to stress several points:

1) The world must know that the Salvadoran Armed Forces only pursue the objective of mass extermination of the civilians who reject the regime; they shell indiscriminately without caring if children, women and old people die; the defoliants and white phosphorus they drop are forbidden by the Geneva and The Hague Conventions, but in their crazy fury they do not respect agreements because their Yankee masters have never respected them: In the B-52 bombing of Hanoi ordered by Nixon and Kissinger and the napalm dropped on the countryside were typical examples. I wish to say that the entire operation of early March 1981 against the rebel positions of the northern front was planned and directed from the Chalatenango and El Paraiso Garrisons and from field positions by U.S. advisers.

2) While the popular militias evacuate the civilians to safer places, the soldiers of the People's Liberation Army [EPL] wreak havoc among the soldiers who, in spite of the gigantic operation, seem to be fearful and have low morale.

3) Thanks to the work of engineering that was done and a profound knowledge of the terrain, we had no casualties to regret. But the damage caused to farming in such towns as San Antonio los Ranchos cannot be estimated. These are the killer beasts armed and supported by the U.S. Government who, unfortunately, enjoy the approval of governments such as that of Rodrigo Carazo of Costa Rica and Herrera Campins of Venezuela. History and their people will judge them.

[Question] Commander Douglas, have you taken prisoners in the various battles in which you have fought?

[Answer] Yes.

[Questions] Officers?

[Answer] Mostly enlisted men.

[Question] How are these prisoners being treated?

[Answer] They are being treated in accordance with the Geneva Convention on prisoners of war and based on our revolutionary principles: humanity, camaraderie, justice and reponsibility.

[Question] And how do the prisoners react once in camps?

[Answer] They have logical reactions: They are confused, surprised and then slowly thankful of the way they are being treated. Then they understand the great difference between the way we treat prisoners of war and, on the other hand, the torture, abuse and death being endured by our companeros who unfortunately fall into enemy hands.

[Question] And what process has been used to make the prisoners join the EPL?

[Answer] You must bear in mind that the entire army is made up of peasants and is therefore of humble and proletarian extraction. Then when they cohabitate with us, they return to reality and to the environment from which they were grabbed. Then there begins a job of political-ideological training and generally, judging from the camaraderie and respect they receive from our fighters instead of the usual shouts and kicks at the garrisons, they find a fraternal calling here and the chance to fight for their people's liberation.

[Question] In this regard, what is the difference between the army and the government military forces and your people's army?

[Answer] The basic difference is one of class. The puppet army defends the interests of the oligarchy and imperialism; it kills, persecutes, sows terror and represses the people; they get paid to kill their own brothers. We, on the other hand, defend the interests of the workers and peasants. We are an army of the people fighting for their liberation and with a clear idea of the purpose of our war. We never treat the population with disrespect and we never impose our revolutionary principles through terror or repression.

[Question] What is your opinion of the Salvadoran church's opposition to the necessity of humanizing the conflict?

[Answer] First of all, it is necessary to establish that the church hierarchy is one thing and that the church of the people, that is, all of us, is something entirely different. The church views the issue from its idealistic viewpoint and not from the viewpoint of a class struggle. This is the basic problem of the church. Monsignor Romero was clear on this point and his ideas were very objective regarding the struggle of the people. He was always on the side of the poor, the suffering, the exploited--and these are the Catholic people. He once said that "people have a right to revolt, to respond with revolutionary violence to those who persecute and martyr them." However, right now the position of the church, with Monsignor Rivera y Damas at its head, is conciliatory, not considering the interests of the people but trying to harmonize the interests of the oligarchy, imperialism and the genocidal junta--in this case the ones who massacre--with the principles and ideals of a people who are already tired of so much oppression and exploitation. But we believe this position is maintained for the following reasons: 1) Fear of continued repression of the church; 2) the commitment of several bishops to the Christian Democratic-military government's policy; and 3) the hierarchy's scarcely critical, realistic or analytical view of our people's social, economic and political situation.

FMLN COMMANDERS CHANO, CARLOS VIEW WAR EFFORT

PA091812 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 9 Aug 81

[Interview with Commander Chano, FMLN political-military officer, and Commander Carlos, FMLN political officer, in (Varillanegra), Morazan Department--live via mobile relay]

[Text] [Question] Commander Chano, you are the political-military officer in charge of this area controlled by the FMLN. Can you tell us the condition of the FMLN forces in this area?

[Answer] The FMLN forces in this area are combat ready, with high morale. They are technically and militarily prepared to defeat the enemy any time he appears in our area. They are also prepared to seek him out. Our forces are using new military and political techniques. We have a school that gives military lectures periodically. We have built an obstacle course which has given more impetus to the military school which we are developing in this area. We are also extending to other nearby areas where we are thinking of (?recruiting) some forces.

This is what I can say about the FMLN forces here in the jurisdiction of Corinto and the (Varillanegra) canton. Also, after the enemy's harassment and offensives, our forces have become more combat ready. Our morale is higher and we have a better disposition and technique.

[Question] Recently, we have noticed that our forces in this area have been active. Can you tell us about some of the most important actions by FMLN forces in the Corinto sector?

[Answer] In March [as heard] during the enemy offense in the Francisco Sanchez Front here in the republic, our forces seized an enemy camp in La Estancia canton. We fought from 1900 to 2230 and we caused approximately 10 confirmed casualties. We believe that we wounded many. We suffered no casualties. We only had one slight injury, and 8 days later, he was fighting again. Previous to that, we had carried out a harassment operation and seized the town of Corinto for several hours. We have gone there four times to [words indistinct] with the population. Also, we recently took El Tablon canton, where some 250 persons were gathered. We held a rally. We (?took) it from 0500 to 1100 or 1130. The people collaborated with our fighters. We also ambushed the guards of the [word indistinct] of Corinto. Our fighters reported that they had caused some four casualties. Later it was said in the town that we caused six casualties. So here, the enemy had combat casualties. Also on that day, we cut off the power in Corinto. In the past, in June, we also recovered some money. We expropriated money from the Morazan (?Company) vehicle. It was money that they had stolen from the people, and at this moment, it is being used to (?strengthen) the war effort.

[Question] Commander, would you like to send a message to the combatants at the other war fronts in our country?

[Answer] Yes, especially to the companeros of Guazapa. These companeros have shown their high combat morale by annihilating the enemy forces, thereby lowering the enemy's morale. The famous Atlacatl Battalion which has been fighting our companeros in that area has suffered a hard defeat. The battalion has not been as successful as they had hoped. Once again this shows the people the capacity and morale of our fighters, their aggressiveness toward the enemy. Companeros, I take this opportunity to congratulate you. Continue our people's struggle to defeat the common enemy of all Salvadorans, an enemy who is currently utilizing all the power--both in military supplies and men, Yankee advisers, U.S. advisers--with all the modern armament being used here by imperialism in collaboration with the Salvadoran oligarchy. Once again, companeros, I congratulate you and urge you to keep going. I also take this opportunity to send greetings to all the fighters in the various fronts of our country.

[Question] We are now with Companero Carlos, the political officer of this zone. Can you tell us how political work is going in this area and how the people's power is being consolidated?

[Answer] Regarding your question, I can tell you that the people's power has increased greatly, not only in (Varillanegra) canton, but also in the area of Corinto, Sociedad, (Pocopocacaupera) as far as Santa Rosa de Lima. We have increased both our political and military control over the population. Much work has been done. Production is being increased greatly, especially war production.

Not only the rural population, which the enemy previously controlled by blinding them with lies, have increased their awareness. They see that the paramilitary have committed crimes all over the place, killing defenseless people. Now, the townspeople themselves turn to us, asking us how they can join the organization. They are also making progress at the urban level, not just at the rural level. Increased awareness is greatly increasing production and great numbers of masses are joining us. The enemy will never again control them.

[Question] Companero Carlos, as political officer in charge of Corinto and (Varillanegra), would you like to make an appeal to the population of this zone?

[Answer] I would like to make an appeal for the unity of all the rural population around Corinto, Sociedad. I appeal to them to join the health brigades, the defense brigades of the territory, to collaborate one way or another with the revolution. You must join in large numbers since right now we have a chance. You must work in production, health and in defense of the controlled areas. You must work in the noncontrolled areas. It is necessary to defeat the enemy in all areas and throughout the territory in order to control and annihilate them. It is necessary for the greatest number of companeros to join in the areas that have not been worked, to collaborate. This is the path of the revolution.

GUATEMALA

CONFRONTATIONS BETWEEN ARMY, GUERRILLA FORCES

U.S. Industrialist Killed

PA140421 Paris AFP in Spanish 0347 GMT 14 Aug 81

[Text] Guatemala City, 13 Aug (AFP)--The body of an American industrialist kidnapped in Guatemala City 4 months ago, Clifford Bevens, was found today in a guerrilla redoubt dismantled by the army in the town of Santa Maria Cauque, in Sacatepequez Department, western Guatemala, it was officially reported here.

The army reported tonight in a press communique that when the guerrilla redoubt was discovered in Santa Maria Cauque, an armed clash followed which left a toll of five dead rebels, including two women. The military report added that the redoubt found today was apparently used to hide kidnapped persons, although a large amount of weapons and materiel was also seized at the place.

Concerning the death of American industrialist Clifford Bevens, the army said that "it is believed that the subversives killed him when they realized they were completely surrounded by the security agents."

Bevens was the manager of Ginsa, a company which manufactured tires for the Central American market. According to the military communique, the government security forces are carrying out a strong campaign throughout the country against the guerrilla organizations and were successful in four operations today. In addition to the Sacatepequez redoubt, three other rebel camps [campamentos] were dismantled in Guatemala City. In one of them, the military clashed with the rebels, killing two guerrillas.

According to the official reports, a total of 26 guerrilla redoubts have been dismantled in the last 2 months in various parts of the country. The army estimates that it has seized approximately $6 million in arms from the subversive elements.

5 Soldiers Die in Quiche Clash

PA131525 Panama City ACAN in Spanish 0036 GMT 13 Aug 81

[Text] Guatemala City, 12 Aug (ACAN-EFE)--It has been officially reported that 30 leftist guerrillas and 5 Guatemalan Army soldiers died today in a clash on a road in the northern province of Quiche.

A note issued by the army's public relations office reports that the armed clash took place when an antigovernment group tried to ambush a military convoy at a point between the towns of Zacualpa and Chinique. It was reported that as a result of the guerrilla attack, 5 soldiers died and 10 others were wounded. The official report notes that the government troops fired back, fighting ensued and 30 antigovernment elements were killed.

Rebel Redoubt Found, 2 Killed

PA132002 Panama City ACAN in Spanish 1732 GMT 14 Aug 81

[Text] Guatemala City, 13 Aug (ACAN-EFE)--Two leftist guerrillas were killed here today when security forces discovered an opposition redoubt in the Roosevelt neighborhood. It was officially reported that government agents detected the presence of suspicious persons in a building in the Roosevelt neighborhood in Zone 11 of the capital. The agents approached the building, and when they were met with gunfire, a shootout ensued. The official report says that when the security agents entered the building, they found the two dead guerrillas, weapons, typewriters, and a loudspeaker.

BRIEFS

SUGAR EXPORT REVENUES--The foreign trade department of the Economy Ministry has announced that during the first semester of the year, Guatemala earned more than 37 million quetzales from its raw sugar exports. [Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 4 Aug 81 PA]

HONDURAS

GUATEMALAN PRESIDENT VISITS BRIEFLY 12 AUGUST

PA131436 Paris AFP in Spanish 0320 GMT 13 Aug 81

[Text] Tegucigalpa, 12 Aug (AFP)--In a communique issued here this afternoon, the Press Secretariat of the presidency of Honduras confirmed the unexpected visit of Guatemalan President Romeo Lucas Garcia, describing the results of his visit as "positive."

Lucas, accompanied by Economy Minister Valentin Solorzano, and Economy Deputy Minister Gilberto Corzo, arrived to try to solve trade exchange problems between the two nations.

The Guatemalan chief of state met here with his Honduran counterpart, Policarpo Paz Garcia, who received him at the Hernan Acosta Mejia Air Base in this capital.

Valentin Mendoza and Ruben Mondragon, Honduran treasury and economy secretaries, also participated in the meeting held shortly after the arrival of the Guatemalan officials.

According to the official communique, "the visit was aimed at discussing, at the highest level, problems that have surfaced with the issuance of Decree No 54 by the Honduran Constituent Assembly and the measures adopted to protect the country's economy which have caused problems in the traditional trade relations between Guatemala and Honduras."

This "meeting has been held with positive results for the trade relations between the two governments, which are expected to become normal in the next few days and which will be reported opportunely by the two governments," the official communique added. The Guatemalan president returned to his country this came afternoon.

PRESIDENT MEETS WITH SALVADORAN COUNTERPART

PA140400 Panama City ACAN in Spanish 2213 GMT 13 Aug 81

[Text] Tegucigalpa, 13 Aug (ACAN-EFE)-- Gen Policarpo Paz Garcia and Jose Napoleon Duarte, presidents of Honduras and El Salvador, met in Tegucigalpa for several hours today. Duarte was accompanied by Col Jaime Abdul Gutierrez, chief of the Salvadoran Armed Forces, top officials of the Economy Ministry of his country and officials versed in integrationist matters.

General Paz Garcia was accompanied by Finance and Public Credit Secretary Valentin Mendoza and Economy and Commerce Secretary Ruben Mondragon.

The presidential meeting was held at the facilities of the Honduran Air Force, where strict measures were observed. It was officially reported that the Honduran and Salvadoran presidents analyzed common socio-political problems but also discussed the basis for a bilateral trade agreement to be signed soon.

The Salvadoran president's visit to Honduras today apparently initiates [as received] a meeting of Central American presidents, because Guatemalan President Romeo Lucas Garcia visited Tegucigalpa unexpectedly yesterday. According to the official report, Paz Garcia's meeting with Lucas Garcia was also held to discuss economic matters.

NICARAGUA

MINISTRY ISSUES COMMUNIQUE ON ENDERS VISIT

PA131221 Managua Radio Sandino in Spanish 1300 GMT 13 Aug 81

["Text" of communique issued by the Nicaraguan Foreign Ministry on 12 August 1981, read by unidentified speaker at the Government House--live or recorded]

[Text] Mr Thomas O. Enders, U.S. assistant secretary of state for inter-American affairs, visited Nicaragua from 11 to 12 August. During his visit he met with Foreign Minister Miguel d'Escoto and with the Foreign Ministry officials in charge of the relations with the United States. Afterwards he was welcomed at the Government House by Sergio Ramirez Mercado and Rafael Cordoba Rivas, members of the junta of the Government of National Reconstruction.

On the afternoon of the 11th, Assistant Secretary Enders met with finance-related cabinet officials of the Government of National Reconstruction and afterwards with Commanders of the Revolution Bayardo Arce and Jaime Wheelock Roman, members of the National Directorate of the Sandinist National Liberation Front. Foreign Minister d'Escoto and Ambassador Arturo Cruz attended all the meetings.

On Wednesday the 12th, a second meeting was held with the foreign minister at the Foreign Ministry, and before Enders' departure from Nicaragua he met with Commander of the Revolution Daniel Ortega Saavedra, coordinator of the junta of the Government of National Reconstruction. The talks were characterized by the frankness with which both sides presented their viewpoints and by an open spirit.

The Foreign Ministry believes that it is very important that this meeting with a ranking official of the new U.S. administration was held.

Managua, 12 August 1981 Year of the defense and production

Tinoco Makes Statement

PA132031 Managua Radio Sandino in Spanish 1800 GMT 13 Aug 81

[Statement by Victor Tinoco, deputy foreign minister, on the 12-13 August talks in Nicaragua with Thomas Enders, assistant secretary of state for inter-American affairs, on 13 August in Managua--recorded]

[Text] We cannot but feel that Mr Enders' visit to Nicaragua was positive, because the mere fact of his presence here constitutes a step forward in the effort to, let us say, ease relations between the United States and Nicaragua. We must recall that for months Nicaragua has been seriously and responsibly making efforts to establish communication at the highest possible level with the new North American administration, and thus far all those efforts had been in vain. However, Mr Enders' presence at this moment represents, as I said before, a step forward because an initial channel of communication, a serious, formal channel of communication has been established making it possible to exchange views and enabling both sides to outline their respective interests, problems and fears and, in a nutshell, making it possible to propose to this U.S. representative solutions to their aspirations and solutions to our fears, too.

Therefore, from this standpoint, the visit has been positive and we hope it will continue to develop along these lines. Moreover, insofar as the substance of the talks is concerned, there are a number of aspects; however, we can obviously state that the essence of the talks has been the relations between the United States and Nicaragua and the issues of greatest conflict, or the issues that create or generate the most tension in these relations. Obviously, the issues of the Saccio-Vasquez Carrizosa Treaty and its ratification by the U.S. Senate had to be raised during these talks. The same is true of the unfounded accusations about an alleged Nicaraguan involvement in the rebellion and social unrest in the area. On our part, we stressed our doubts and, more than doubts, our fears (in view) of the aggressive attitudes that have been witnessed recently.

'IN DEPTH' PROGRAM DISCUSSION ON FORUM PROGRESS

PA111539 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 10 Aug 81

["In Depth" discussion program with guests Jose Davila, leader of the Social Christian Party, PSC, and opposition delegate to the National Forum; Nathan Sevilla, delegate of the Sandinist National Liberation Front in the National Forum; and Agencia Nueva Nicaragua newsman William Grisby and moderator Angela Ceballos--live]

[Excerpts] [Ceballos] We will begin by asking Companero Jose Davila about a reply that I obtained on Thursday from one of the delegates in the Forum. He said that on Thursday there will be a decision on whether there will be some change in the structure of the Forum and on whether the Forum will continue. This leads me to ask you the following question: What would you do then? Would you go to the State Council to participate in the decisions on the country's laws or would you join the counterrevolution and arm yourselves? What do you plan to do?

[Davila] Regarding the first part of your question, when we began the Forum on Discussion of National Problems we, and I think the Nicaraguan people also, expected that the Forum would bring about positive solutions to the country's current problems. Nevertheless, as the Forum has advanced we have seen that there has been no fulfillment of agreements we reached there with the Sandinist front, particularly about the work that we political parties carry out. This has been decreasing the credibility of the Forum in the eyes of the Nicaraguan people. Since we are always concerned about the people's opinion, we began to ask ourselves if the Forum is really useful.

We have lost so much hope that at a given moment we asked ourselves whether the Forum should continue. This is what we did last Thursday. We told the Sandinist front and the parties which support it that if we go on like this, the Forum is not going to achieve anything. They agreed that there are many problems. They even expressed some views to see if we can revaluate the Forum, that is, if we can increase the worth of the Forum.

This is what we are going to discuss on Thursday. If we reach agreement on changing the course of the Forum it can be useful and if we can't, then I definitely think that we must seek another alternative through which our organizations can continue to express their opinions. These are opinions of social sectors that we represent which are useful to resolve our problems.

[Ceballos] Would you go to the State Council or the counterrevolution? What would you do?

[Davila] I really don't like that last word you used. I think there is a very bad and dangerous campaign dealing with this. There are official media which have in some way linked us to the counterrevolution. I want to say here that this is so bad that even Commander Pastora has been mentioned by a Costa Rican newspaper as a leader of the counter-revolution. I don't think these things are very positive.

Now then, regarding the State Council, that is a possibility that we are looking at, but only as long as the State Council becomes an alternative in which our opinions are really going to count. I think the Sandinist front should do something so that the Nicaraguan people won't compare current situations with the past. The front doesn't like this, but the people do make comparisons. Why should we be a minority that doesn't count in the State Council? That is why we believe that if the State Council establishes a new dynamics, then we would really have to view the possibility of participating in it.

[Ceballos] Companero Grisby, do you want to ask a question of Companero Nathan or add anything to what Davila said?

[Grisby] According to the opposition parties, the 19 Points of Concurrence have not been fulfilled. I understand that one of the points of concurrence deals with agrarian reform. On 19 July Commander Daniel Ortega (?made an announcement on agrarian reform) and the reform has recently been approved by the State Council. I would like Companero Nathan Sevilla to say whether these concurrences have really been violated and if these concurrences really committed both sides to specific agreements? Is agrarian reform part of these concurrences?

[Sevilla] It is true that the concurrences do not constitute agreements. They only serve as a base after polemics in which truly antagonistic ideological and political viewpoints were presented by the parties or forces of the revolution and the opposition parties which maintained rightist positions in the debate. These antagonistic positions cannot be solved in the process of the debate. The objective of the Forum was to find some minimum concurrences as a result of the discussion. This would permit us to sit down later to discuss, on the basis of those concurrences, possible political agreements to strengthen the participation of the various parties in the revolutionary process.

The opposition parties are wrong when they say there have been violations of the agreements of the Forum because there have been no agreements. We are merely at a preliminary phase in which we have only reached 19 Points of Concurrence. Of these, those on agrarian reform and the fight against capital depletion have been vigorously adopted in the 19 July announcements. Besides those concurrences, some of the other 19 July announcements which replied to the people's demands are being questioned by the parties defending those interests affected by the decrees. Therefore, we think that more than the formal aspect, the important thing is that those parties make known their positions to the people and say whether they defend or oppose the measures of revolutionary advance.

[Ceballos] This brings up a question. Suddenly in this matter there is a sort of defense of oligarchic interests, that is, by parties like yours which claim to be socialist communitarian parties. Suddenly one realizes the true situation.

[Davila] I believe that with regard to the decrees or agreements announced on the 19th, our attitude has some support, because the agrarian reform announced is not integral, it is not what the Nicaraguan peasants want. I want to say two things: The peasant will be given an agrarian reform title. This does not satisfy the peasant. This is the great mistake made by the Sandinist front, which seems to have become separated from what the people or peasants really want. This happens even if the front claims to speak in the name of the people. The truth is that if a peasant is not given a property title he will not do his best. This will be seen later.

We must also remember that the agrarian reform is not merely a matter of giving land, it is also a matter of financing. Yet no one in the State Council spoke of financing when agrarian reform was discussed. They were in a big hurry to make an agrarian reform in 2 days, yet they were going to change land ownership structures which go back several centuries. There are countries that take up to 1 year to draft a truly good agrarian reform, but here they did it so badly that the government junta itself returned it because of its errors.

Also, it violates the spirit of the agreement, because we did say in Concurrence No 19 that agrarian reforms would also affect lands owned by the state, and this was not done.

Concurrence No 18 says that the various forms of capital depletion, duly proven, according to the appropriate law, should be severely punished in whatever sector they occur. [words indistinct] Not even you can act on your own when applying the law.

[Ceballos] You are not answering my question.

[Davila] Yes, I am referring to the matter of violations of the agreements. Another clear-cut violation is Concurrence No 3, which is the one we basically protest because we thought that the Forum represented a hope for the Nicaraguans and that the Sandinist front would not continue to administrate only along its own line of thinking, but together with all the other organizations. Concurrence No 3 says: When there are important changes, mechanisms will be applied for consultation and participation, allowing common criteria leading to the best decisions. We were not consulted at all.

[Ceballos] You are avoiding my question when you don't answer it.

[Davila] But, I want to make a reference...[Ceballos interrupts]

[Ceballos] Will you answer my question after making your reference? Why do you, who call yourselves communitarian socialists, support oligarchic interests?

[Davila] When I have answered you, you will see that your question has been answered, because Nathan here has said that these are not agreements. I want to remind him that Article 1 of the regulations of the Forum states that the Forum is for the discussion of national problems between the revolutionary forces and the forces which support the revolution but disagree with its leadership.

This about the oligarchy [words indistinct] still remains. In order to reach practical agreements, these concurrences, although it is true that these are not agreements in the total sense of the word, are things that we have signed. There is a spirit behind them. If for the Sandinist front this spirit, these agreements are worthless, then where are we heading? This has made us question the Forum. It is not a matter of defending the oligarchy or anything similar. We want a society that the people really want, one that surpasses capitalism and will not bring it back, but also one that is not completely alien to us either, or a totalitarian system. This is what worries us.

[?Grisby] Davila says that state-owned lands were not affected and that agreements were violated. He also says that his party is not with the oligarchy. But a matter that concerns me is why is it that dissimilar parties--such as the PSC, which represents professionals and middle class peasants, and the constitutionalist Liberal Party, representing large landholders--are in the same bloc? This is a contradiction, it seems to me.

[Ceballos] It would be well if Companero Nathan Sevilla makes some comment, because I do not feel that you have answered my question. We are going to give Companero Sevilla a chance to speak.

I would like us to concentrate on the Forum. If we cannot do it in the first program we may have to do it in the second. I wanted to ask about national unity. If they say that the Forum will not be valid for various reasons, it would be well to know if the purpose of the Forum, which is unity for production and defense, is still valid.

[Davila] We, the civic parties, believe that the Forum is still valid. This is why we have not violated it. Rather, it is the Sandinist front which has disregarded it when it violated the agreements. We continue believing. This is why last Thursday we asked the Sandinist front and the parties which support it what we have to do to enhance the value of the Forum. This would lead us to a national unity. However, with regard to national unity, Nathan said that there are various parties in our sector. I agree with him. We have common concepts regarding the concept of democracy. Our sector is not a bloc in which there is only one party which commands and all the others have to follow. In our bloc each one has its own opinion and we respect it. This is what we understand by democracy. The PSC does not want to impose its points of view on the other parties. If I demanded that others must think like me so that they can enter my group, this is not democracy. This is why we have different attitudes.

With regard to her question, I agree that the Forum is valid and we must seek ways to improve it. This is why we are going to meet on Thursday. This is what we decided, Nathan, to reevaluate it and to see how we can enhance its credibility.

[Ceballos] Referring to unity [words indistinct] the importance of unity for the [words indistinct].

[Davila] National unity is very important; there's no doubt about that. The problem is that there cannot be true unity if the other parties have to submit to a single organization. Each party must express its opinions and points of view and we must face the problems jointly. The exchange of ideas to see who has the best solution is the way to solve problems. This is a national unity based on respect, and it will end repression and the attacks on us.

When these no longer exist then you will see that we will recover the unity that was needed to overthrow Somoza and which we need to rebuild the country. On this we have no doubts. We want national unity but we want to see how it will be achieved.

[Grisby] It would be good if Nathan were to explain this concept because it would be important to see if it is as Davila says. It would be good to know if the parties supporting the revolution are unconditional supporters of the revolution and if one party dominates the others. The concept of national unity is the concept of parties which support the revolution.

[Sevilla] The central problem is that the inertia of traditional parties of Nicaraguan parties has often satisfied the ego of party leaders identifying the party with their own concepts, which become obsolete ideas within a revolution which is making changes for the people. Their ideas do not adapt to the positive attitudes of our parties within the revolutionary process. This concerns your ideas on political power. For example, the rightist parties are discussing political power. This is a power which the people take from the dominating classes.

Naturally, the rightist parties in order to justify their struggle for power use the revolutionary difficulties which exist in all poor countries to try to obtain support among the backward masses. There are backward masses even in the middle classes. But the truth of the revolution is more important and this can be seen in the great confidence of the people, who in spite of the difficulties, support their vanguard and trust it. They realize we are making in depth changes.

However, when speaking of national unity as Davila presents it, within a context of a traditional democracy where unity must be shared with the landowners within a political party, we see this national unity as something that falls in between the revolutionary interests of the masses and the archaic interests of those who defend the status quo of the great property of the landholdings, of the great capital holders.

Here we see parties like the PSC which do not openly defend the revolution. When they side with the revolution then there will be positive agreements.

[Ceballos] Davila, can you add something?

[Davila] It has been said that the FSLN imposes itself on the parties which support the revolutionary leadership. Is this true or false?

[Sevilla] This also forms part of the prejudices of some parties. They have admitted this. They have shown this in the discussion we have had. They view each attitude of the Sandinist front National Directorate or the government junta as an attitude against them instead of seeing that these are revolutionary measures in favor of the people. Those prejudices also make them think that any rapprochement and any search for closer relations with them is an attempt to submit them to the domination of the vanguard of this country, the Sandinist front.

We see that this problem has been overcome by the revolutionary parties. The parties of the revolution understand that as individual political groups which represent specific sectors, they play a dynamic role and make a contribution to the revolution. They have overcome distrust and prejudices that they might be dominated by the vanguard. The vanguard doesn't have the least interest in destroying the specific personalities of the parties. It wants them to be strengthened, but not against the revolution or to take away the people's political power, but to increase that political power and the revolutionary changes.

[Davila] The Nicaraguan people seized political power from a group, a dictatorship, a clique during Somoza's time. Political power is understood as managing the state to seek the common good. Now it seems that the Sandinist front, as an organization, says that power is theirs and no one can dispute it. At this time we are not fighting for shares of political power. We are clear on this.

It has been said that this is what we seek. We think that we are at a phase of national reconstruction. All Nicaraguans should be united at this time to reconstruct the country. Afterwards when, for example, elections come, the Nicaraguan people will then have the right to choose if this revolution--we are not going to question the revolution but the leadership of that revolution--is going to continue to be led by the Social Christians, the Marxist-Leninists, the Communists or the Social Democrats. The people have a right to do this. This right had been denied to the people in the past.

Another confusion into which Nathan has fallen is saying that the truth of the revolution is the truth of the FSLN. That is not correct. The FSLN is a respectable organization with a great role but it does not hold all truth in this country.

[Grisby] Let us discuss the future of the Forum. On Thursday there will be a decision on the development of the Forum. Davila spoke of the enhancement of the Forum. In response to a question from Angela there was also mention of the probable return of the opposition parties to the State Council since one of the regulations says that the agreements reached in the Forum will be carried out through institutional means and one of these is the State Council. We would like him to explain this enhancement of the Forum and the probable return to the State Council.

[Davila] At Thursday's meeting, the two delegations analyzed in depth what measures to take to enhance the credibility of the Forum in the people's eyes. We can't deny that there has been a decline in the prestige of the Forum. We have already pointed out some causes of this. On Thursday we are going to jointly discuss the measures that we and the FSLN and the parties which support it think must be adopted to increase the credibility of the Forum. Therefore, we shall discuss how the Forum should continue. If we decide that it should continue as it has so far or if it should be changed then we will study the possibility of both speeding up agreements and discussing the possibilities of returning to the State Council. We are going to discuss these possibilities as long as we see there is willingness by the Sandinist front and its allied parties to fulfill the concurrences and the agreements that might result from the spirit of those concurrences. We would be willing to return to the State Council as long as we get some guarantee that our opinions in the State Council will be taken into account and that we won't just be a mere minority that shouts and is not listened to. We don't want this because we don't want the people to remember [words indistinct].

[Ceballos] We are really in a reconstruction phase. The past will not return as [words indistinct]. Now Companero Nathan, can you answer my question?

[Sevilla] Yes. Regarding how we evaluate the participation of the various opposition parties in the Forum, we believe that the debates in the Forum have brought up contradictions that can't be resolved because they are based on the different ideological and political concepts of the parties. Therefore, the possibility of reaching minimum agreements among all the parties within the framework of the revolution in order to cooperate to strengthen the revolutionary power and the measures to deepen the process isn't limited to just the Forum. We think that the Forum can't continue indefinitely. It has to end after the discussion of the subjects.

The opposition parties should participate in the other alternatives. They should have a positive participation in the process. If they return to the State Council, this would be a way to make their participation in the process effective. However, they cannot impose the condition that the opinions of the opposition political parties must necessarily be accepted and adopted by the State Council. The issues are broadly discussed there and the positive contributions to the revolution are borne in mind. However, if these opinions don't coincide with the interests of the masses, the people, the process and the changes that must be carried out, then logically these parties are going to suffer new frustrations. That is why (?this is an essential problem). The parties have to review their own attitudes vis-a-vis the process. If they realize, as the people have done, that we must cooperate in the various sectors for the strengthening and deepening of the revolution, then I think the possibility of the permanent and positive participation of all these parties in national political life will be a fact.

[Ceballos] Thank you for your presence here. Our time is up.